

November 13, 2020

To,

**The Manager,
Corporate Relations Department,
BSE Limited**
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai – 400 001

**The Manager,
Listing Department,
National Stock Exchange of India Limited,**
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East),
Mumbai – 400 051

Scrip Code: 512519

Symbol: DONEAR

Ref.: Regulations 30, 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Sub: Outcome of Board Meeting of Donear Industries Limited held on November 13, 2020.

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company at its meeting held today, i.e. November 13, 2020, have *inter-alia*, approved the Un-audited Standalone Financial Results of the Company for the Second Quarter and Half Year ended September 30, 2020.

Pursuant to Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Un-audited Standalone Financial Results of the Company for the Second Quarter and Half Year ended September 30, 2020 along with the Limited Review Report thereon, issued by M/s. Kanu Doshi Associates LLP, Chartered Accountants (Firm Registration No: 104746W/W100096), Statutory Auditors of the Company.

The meeting of Board of Directors of the Company commenced at 12:00 A.M. and concluded at 3:30 P.M.

You are requested to take the above information on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Donear Industries Limited


Ashok Agarwal
Chief Financial Officer



Encl.: As Above

DONEAR INDUSTRIES LIMITED

Registered Office: Donear House, 8th Floor, Plot No A 50, Road No 1 MIDC, Andheri East, Mumbai-400093

CIN : L99999MH1987PLC042076 Website : www.donear.com EMAIL ID: info@donear.com

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2020

(Rs.in lakhs) (Except EPS)

Sr. No.	Particulars	Quarter Ended			Six Months Ended		Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
		30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
1	Income						
	(a) Revenue from Operations	6,840.96	2,060.52	13,452.10	8,901.48	26,911.28	54,793.92
	(b) Other Income	147.39	14.20	183.10	161.59	320.79	463.47
	Total Income	6,988.35	2,074.72	13,635.20	9,063.07	27,232.07	55,257.39
2	Expenses:						
	a) Cost of Materials consumed	2,274.28	1,986.88	5,540.53	4,261.16	11,790.05	21,796.43
	b) Purchase of Stock-in-trade	887.41	393.54	1,541.51	1,280.95	2,618.76	4,473.51
	c) Changes in Inventory of Finished goods, Work-in-progress and Stock-in-trade	436.34	(2,429.89)	(758.90)	(1,993.55)	(1,128.99)	1,048.83
	d) Employee Benefits Expenses	1,024.88	842.18	1,808.66	1,867.06	3,525.38	7,025.00
	e) Finance Costs	440.22	557.38	574.06	997.60	1,203.27	2,422.20
	f) Depreciation and Amortisation expense	243.42	239.14	220.25	482.56	427.89	915.62
	g) Other expenses	2,186.61	1,299.54	4,045.10	3,486.15	7,935.61	15,729.74
	Total Expenses	7,493.16	2,888.77	12,971.21	10,381.93	26,371.97	53,411.33
3	Profit / (Loss) from ordinary activities before Exceptional items (1-2)	(504.81)	(814.05)	663.99	(1,318.86)	860.10	1,846.06
4	Exceptional Items	-	-	-	-	-	-
5	Profit / (Loss) before tax (3 +/- 4)	(504.81)	(814.05)	663.99	(1,318.86)	860.10	1,846.06
6	Tax Expense						
	- Current tax	-	-	154.20	-	160.64	396.00
	- Deferred tax	(189.00)	(210.59)	238.88	(399.59)	290.70	251.96
	- Income Tax for earlier years	-	-	-	-	-	3.03
	Total Tax Expenses	(189.00)	(210.59)	393.08	(399.59)	451.34	650.99
7	Profit / (Loss) for the period (5 +/- 6)	(315.81)	(603.46)	270.91	(919.27)	408.76	1,195.07
8	Other Comprehensive Income, net of income tax						
	A. (i) Items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	B. (i) Items that will not be reclassified to Profit or Loss	1.98	1.98	(1.26)	3.96	(2.51)	7.93
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.50)	(0.50)	0.20	(1.00)	0.64	(1.99)
	Total Other Comprehensive Income, net of income tax	1.48	1.48	(1.06)	2.96	(1.87)	5.94
9	Total Comprehensive Income for the period (8 +/- 7)	(314.33)	(601.98)	269.86	(916.31)	406.89	1,201.01
10	Paid-up equity share capital (face value of Rs 2/- per share)	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00	1,040.00
11	Other Equity						11,192.30
12	Earning per share (EPS) (of Rs 2/- each) (not annualised)						
	Basic/ Diluted EPS	(0.61)	(1.16)	0.52	(1.77)	0.79	2.30



STATEMENT OF ASSETS AND LIABILITIES

(Rs.in lakhs)

Sr. No.	Particulars	As at	As at
		30.09.2020	31.03.2020
		Unaudited	Audited
A	ASSETS		
1	Non - Current Assets		
(a)	Property, Plant and Equipment	7,302.80	7,636.08
(b)	Capital Work-in-progress	261.18	241.08
(c)	Investment Property	929.04	948.12
(d)	Other Intangible Assets	20.51	24.08
(e)	Financial Assets		
(i)	Investment	98.40	98.40
(ii)	Other Financial Assets	198.17	195.56
(f)	Deferred Tax Assets	1,021.63	623.04
(g)	Other Tax Assets (Net)	48.38	56.82
(h)	Other Non-Current Assets	276.10	356.42
	Sub- total - Non - Current Assets	10,156.21	10,179.60
2	Current Assets		
(a)	Inventories	21,171.70	20,162.12
(b)	Financial Assets		
(i)	Trade Receivables	8,975.45	11,769.62
(ii)	Cash and Cash Equivalents	100.74	61.41
(iii)	Bank balances other than (ii) above	1,151.37	1,440.01
(iv)	Other Financial Assets	491.32	402.45
(c)	Other Tax Assets (Net)	22.84	-
(d)	Other Current Assets	4,139.06	3,935.42
	Sub- total - Current Assets	36,052.48	37,771.03
	TOTAL- ASSETS	46,208.69	47,950.63
B	EQUITY AND LIABILITIES		
1	EQUITY		
(a)	Equity share capital	1,040.00	1,040.00
(b)	Other Equity	10,171.98	11,192.30
	TOTAL- EQUITY	11,211.98	12,232.30
2	LIABILITIES		
(I)	Non Current Liabilities		
(a)	Financial Liabilities		
(i)	Non Current Borrowings	141.90	189.20
(ii)	Other Financial Liabilities	1,833.70	1,399.51
(b)	Other Non Current Liabilities	46.12	77.91
	Sub- total - Non- Current Liabilities	2,021.72	1,666.62
(II)	Current liabilities		
(a)	Financial Liabilities		
(i)	Current Borrowings	23,501.24	26,019.57
(ii)	Trade Payables	5,701.90	5,025.29
(iii)	Other Current Financial Liabilities	2,052.28	1,810.99
(b)	Other Current Liabilities	1,481.17	973.60
(c)	Provisions	238.40	208.61
(d)	Current Tax Liabilities (Net)	-	13.66
	Sub- total - Current Liabilities	32,974.99	34,051.72
	TOTAL- LIABILITIES	34,996.71	35,718.33
	TOTAL- EQUITY AND LIABILITIES	46,208.69	47,950.63



SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs.in lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
		30-09-2020	30-06-2020	30-09-2019	30-09-2020	30-09-2019	31-03-2020
1	Segment Revenue (Revenue from Operations)						
	Textiles	6,699.82	1,878.16	13,261.13	8,577.98	26,499.40	54,021.25
	Rental Business	141.15	182.36	190.97	323.51	411.88	772.67
	Net sales/Income from Operations	6,840.97	2,060.52	13,452.10	8,901.49	26,911.28	54,793.91
2	Segment Profit Before Tax & Finance Cost						
	Textiles	267.09	(67.94)	1,408.43	199.15	2,504.11	4,824.27
	Rental Business	60.78	152.99	167.94	213.77	357.24	607.51
	Total	327.87	85.05	1,576.37	412.92	2,861.35	5,431.78
	Less : Finance Cost	367.65	564.15	509.13	931.80	1,083.76	2,170.63
	Less: Other Unallocable Expenditure net off Unallocable Income	465.03	334.95	403.25	799.98	917.49	1,415.09
	Total Profit (+)/Loss (-) before Tax	(504.81)	(814.05)	663.99	(1,318.86)	860.10	1,846.06
3	Capital Employed						
	(a) Textiles						
	Segment Assets	43,587.21	46,452.20	48,256.33	43,587.21	48,256.33	45,869.61
	Segment Liabilities	10,926.77	12,434.61	9,469.01	10,926.77	9,469.01	9,871.64
	Net Capital Employed (a)	32,660.44	34,017.59	38,787.32	32,660.44	38,787.32	35,997.97
	(b) Rental Business						
	Segment Assets	1,024.12	1,024.83	1,073.68	1,024.12	1,073.68	1,026.56
	Segment Liabilities	385.28	470.50	396.60	385.28	396.60	426.45
	Net Capital Employed (b)	638.84	554.33	677.08	638.84	677.08	600.11
	(c) Unallocated						
	Segment Assets	1,597.38	1,487.98	3,272.76	1,597.38	3,272.76	1,054.45
	Segment Liabilities	23,684.68	24,429.58	30,759.07	23,684.68	30,759.07	25,420.24
	Net Capital Employed (c)	(22,087.30)	(22,941.60)	(27,486.30)	(22,087.30)	(27,486.30)	(24,365.78)
	Total Capital Employed (a+b+c)	11,211.98	11,630.32	11,978.10	11,211.98	11,978.10	12,232.30



CASH FLOW STATEMENT

(Rs.in lakhs)

Sr. No.	Particulars	Half Year Ended	
		Unaudited	Unaudited
		30-09-2020	30-09-2019
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before Tax as per Statement of Profit & Loss	(1,314.90)	857.59
	Adjustments for		
(a)	Depreciation	482.56	427.89
(b)	Interest Expenses	1,022.41	1,307.32
(c)	Interest Income	(137.62)	(269.29)
(d)	(Profit) / Loss on disposal of Property, plant and equipments	-	(31.77)
(e)	Fixed Assets Written Off	-	-
(f)	Provisions no longer required	-	(17.69)
(g)	Allowance for Expected credit Loss	136.92	76.92
(h)	Bad Debts Recovered	-	(5.48)
(i)	Unrealised Foreign Exchange rate Differences (Net)	163.75	(84.26)
(j)	Ind AS adjustments	(18.71)	(93.38)
(k)	Sundry Balance written Off / (Back) (Net)	0.12	(1.36)
	Operating Profit before Working Capital Changes	334.53	2,166.49
	Adjustments for		
(a)	(Increase) / Decrease in trade and other receivables	2,434.67	219.61
(b)	(Increase) / Decrease in inventories	(1,009.58)	(982.04)
(c)	Increase / (Decrease) in trade, other Payables and provisions	1,773.50	640.36
	Cash Generated from operations	3,533.12	2,044.42
(a)	Direct Taxes Paid (net of Refunds)	(28.06)	(205.87)
	Net Cash generated from / (used in) Operating Activities	3,505.06	1,838.55
II	CASH FLOW FROM INVESTING ACTIVITIES		
(a)	Purchase of property, plant and equipment and intangible assets	(146.74)	(509.46)
(b)	Sales Proceeds of property, plant and equipment	-	57.85
(c)	Fixed Deposits with Bank	385.42	(233.83)
(d)	Interest Income Received	137.62	269.29
	Net Cash generated from / (used in) Investing Activities	376.30	(416.15)
III	CASH FLOW FROM FINANCING ACTIVITIES		
(a)	Proceeds / (Repayment) from / of Non Current Borrowings (net)	(47.38)	(372.51)
(b)	Proceeds / (Repayment) from / of Current Borrowings (net)	(2,675.49)	1,757.81
(c)	Interest paid	(1,022.41)	(1,212.24)
(d)	Dividend paid (Including Dividend Distribution Tax)	-	-
	Net Cash generated from / (used in) Financing Activities	(3,745.28)	173.06
	Net Increase / (Decrease) in Cash and Cash Equivalents (I+II+III)	136.08	1,595.46
	Add : Cash and Cash Equivalents at the beginning of the period	63.42	568.90
	Cash and Cash Equivalents at the end of the period	199.50	2,164.36
	Cash and Cash Equivalent as per above comprises of the following		
	Cash and Cash Equivalents	199.54	2,167.62
	Unrealised translation gain/(loss)	(0.04)	(3.26)
	Balance as per statement of Cash Flow	199.50	2,164.36



Notes:

- 1 The above unaudited financial results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2020. The Statutory Auditor of the Company has carried out Limited Review of aforesaid result.
- 2 Segment Revenue, Result and Capital Employed figures include the respective amounts identifiable to each of the segments. Other unallocable expenditure mainly includes expenses incurred on common services.
- 3 The Indian Parliament has approved the code on Social security, 2020 which would impact the contributions by the company towards provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be framed. In view of this, impact if any, of the change will be assessed and accounted in period of notification of the relevant provisions.
- 4 Operations during the quarter continued to be impacted by measures to contain covid-19 pandemic. The business gathered momentum, though recovery has been gradual and partial. Accordingly, the results for the quarter are not comparable with those for the previous quarter and corresponding quarter of the previous year.
- 5 The outbreak of coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Group's operations and revenue during the quarter were impacted due to COVID-19. The Group has taken into account the possible impact of COVID-19 in preparation of the unaudited consolidated financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these unaudited consolidated financial results and current indicators of future economic conditions.
- 6 Corresponding figures of the previous quarter/year have been regrouped, recasted and reclassified to make them comparable wherever necessary.



Place: Mumbai
Date: November 13, 2020



On behalf of the Board of Directors

Rajendra V. Agarwal
Managing Director
DIN No. 00227233

Independent Auditor's Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors of Donear Industries Limited ("Company")

1. We have reviewed the accompanying statement of unaudited financial results of **Donear Industries Limited ("Company")** for the quarter and half year ended September 30, 2020 being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time. The statement is the responsibility of the Company's management and has been approved by Board of Directors has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind As 34"), prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, 'Review of Interim Financial Information performed by Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Indian Accounting Standards (Ind AS) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No: 104746WAW100096



Kunal Vakharia
Partner
Membership No.: 148916
UDIN - 20148916AAAAFX8919
Place: Mumbai
Date: November 13, 2020



Independent Auditor's Review Report on Unaudited Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors of Donear Industries Limited ("Company")

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For Kanu Doshi Associates LLP
Chartered Accountants
Firm Registration No: 104746WAW100096


Kunal Vakharia
Partner

Membership No.: 148916
UDIN - 20148916AAAAFX8919
Place: Mumbai
Date: November 13, 2020

